Reimbursement of CENVAT on hank yarn

4320. SHRI RAJKUMAR DHOOT: Will the Minister of TEXTILES be pleased to state:

(a) whether it is a fact that Government has approved a scheme with outlay of Rs. 418 crore towards reimbursement of CENVAT on hank yarn;

(b) if so, the details thereof; and

(c) how many workers in the handloom sector will benefit from it and the extent it will mitigate cost disadvantage of yarn?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANGOUDA R. PATIL): (a) Government of India has approved a scheme titled "Scheme for Reimbursement of CENVAT on Hank Yarn" with an outlay not exceeding Rs. 118.00 crore for the period March, 2002 to March, 2003 and an outlay not exceeding Rs. 300.00 crore for the year 2003-04 and for each subsequent year, as long as the levy of CENVAT on cotton and cellulosic spun yarn packed in plain reel hank form continues.

(b) The scheme aims to reimburse the additional cost involved on account of imposition of Excise Duty and Additional Excise Duty levied under the Additional Duties of Excise (Textiles and Textile Articles) Act, 1978, on cotton and cellulosic spun yarn packed in plain reel hank form, to the organizations supplying such yarn at the price net of CENVAT to handloom weavers.

(c) All handloom weavers, who are using cotton and cellulosic spun yarn packed in plain reel hank form as their raw material will benefit from the implementation of the scheme, since the cost of cotton yarn will be reduced by 9.20% and the cost of the cellulosic spun yarn will be reduced by 13.80% (18.4% during 2002-03) respectively.

Interests of textiles sector

4321. SHRIMATI SHABANA AZMI:
DR. T. SUBBARAMI REDDY:

Will the Minister of TEXTILES be pleased to state:

(a) whether the survey among textile exporters reveals that the finance Ministry has not really looked at the interests of the textile sector, which is the main engine of growth today, as reported in the media:

(b) if so, the reasons for the same;

(c) whether number of concessions were provided in the budget for textiles;

(d) if so, whether the Government is considering to give further concessions to the textile units;

(e) if so, the details thereof; and

(f) by when it is being announced?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANGOUDA R. PATIL): (a) and (b) Central Government in Ministry of Textiles has not conducted a survey among textile exporters.

(c) to (f) The concessions announced in the Budget proposals (2003-04) for the textile sector *inter-alia* included reduction in excise duty from 16% to 12% on non-cotton spun yarns and filament yarns, from 32% to 24% on polyester filament yarn, from 12% to 10% on woven fabrics, garments and made-ups, etc. After the announcement of the Budget proposals Government has prescribed a simplified Central Excise Procedure for export of readymade garments and registration of Powerloom Weavers/Hand Processors/Dealers of Yarn and Fabrics/ Manufacturers of Readymade Garments.

Adjustment of surplus officials of NTC headquarters in zones

4322. SHRI LAJPAT RAI: Will the Minster of TEXTILES be pleased to state:

(a) whether the surplus officials of the NTC headquarters will be adjusted in the zones; if not, the reasons therefor;

(b) the criteria to choose the officials in the zones; and

(c) whether the proposal submitted by the NTC management has been taken into consideration; if so, with results thereof and if not, reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANGOUDA R. PATIL) (a) As a part of rehabilitation schemes sanctioned by BIFR/Government the number of operational mills of NTC would come down to 53 and the number of workers would also go down to about 36,000. Since there is a reduction in the number of